

"Friday Letter"

To the Board of Directors
May 24, 2013

From: Rick Howard, General Manager

General Manager/Administration:

- ✓ Happy Memorial Day Weekend! We honor those who served and gave the ultimate sacrifice in service to our Country. Your sacrifice will never be forgotten.
 - Memorial Day was officially proclaimed on May 5, 1868 by General John Logan, national commander of the Grand Army of the Republic, and was first observed on May 30, 1868, when flowers were placed on the graves of Union and Confederate soldiers at Arlington National Cemetery.
- ✓ Dina and I spent time on a conference call yesterday with Bartle Wells Associates. BWA is the firm that conducted our recently approved Capacity Fee Study, and they are presently in the process of completing an updated four year rate study. Without providing too much information as the study is still in its draft stage, it appears that there is a modest CPI rate adjustment that will take place for the coming FY 2013/14 period. If this holds true, there will not be a need to conduct a Proposition 219 hearing this summer.
- ✓ On a related note, the FY 2013/14 (and 2014/15 forecast) budget is almost complete. It will be discussed at the Budget Workshop on June 4, 2013.
- ✓ The Board workshop with Brent Ives of BHI Consulting is scheduled for June 24, 2013. I will provide additional information as we get closer to the workshop.
- ✓ With Calista's recent departure, I have been considering a few staffing moves. A reshuffling of the deck, so to speak. Once I have more information, I will let you know.
- ✓ Estevan Rocha celebrated his 3rd Anniversary with the District on May 17, 2013! Congratulations Estevan!
- ✓ In honor of Memorial Day, All District Offices will be CLOSED on Monday May 27, 2013.

Parks, Landscape and Recreation Services

- ✓ The next Community Center Committee is scheduled for Tuesday, May 29, 2013 at 7:00 p.m.
- ✓ As you are aware, the Landscape Zone 8 contract was out to bid. Four bids were received yesterday, and the two lowest bidders are being vetted and background check completed. A recommendation will go before the Board on June 5, 2013 for award. Both low bidders are current contractors of the District.

Water and Wastewater Services

✓ Bishop Diving and Salvage conducted an inspection of our 200' long wastewater outfall diffuser in Old River on May 15, 2013. There are 32 diffuser "ports" and it appears that port 32 is missing and mud has gone into the pipe and plugged the remaining ports from the inside of the pipe. The likely cause of the missing port is a boat anchor. This is not an easy fix but corrective action will need to be taken. This is an excerpt of their report (I thought you'd find it interesting):

The inspection was conducted from a dive boat that was anchored near the pipe. A three man dive team consisting of a diver, a tender and dive supervisor made up the personal for the inspection. The diving apparatus used was a hard hat tethered diver with two way diver to topside communications. The visibility was limited to six inches and the current was 2.3 knots. As the diver performed the inspection he communicated to topside the findings of each diffuser such as working with flow, length of diffuser exposed, 2" Tideflex is still intact, diffuser flange visible and general overall condition.

- ✓ Virgil, Gregory Harris, Fermin Garcia of Veolia and myself will be in Sacramento on Wednesday June 12th to go over Mandatory Minimum Penalties (MMP's) with the RWQCB staff that were recently assessed (You will recall these go all the way back to 2011). We hope to present the regulatory agency with projects that are or will be under construction and that the Board will look favorably upon with the hopes of mitigating the fines. The total of the fines is \$27,000 (9@\$3K each).
- ✓ On Thursday a group of representatives of water districts and cities from throughout the Bay Area toured our bio solids processing facility. Parkson (the vendor that builds the greenhouses) was also in attendance. The group looked favorably on our system and appeared to actually be enviable of our production processes. In the long run the cost to truck the biosolids to a landfill was more expensive than the initial investment that we have made. It's expensive to truck and pay tipping fees for 90% water! I have attached a copy of Parkson Corporation's marketing materials that you might find interesting (there are a couple of photos that they used of our facility as part of their marketing efforts).

✓ Yesterday, we had a few brown water calls. The cause *appears* to be from flushing fire hydrants, as part of our annual maintenance program. Manganese and boron builds up on the pipe linings and when high pressure is pushed through the water mains, the particulates that attach themselves to the interior lining of the mains breaks away, thus causing the brown. It is generally resolved in a day or so, but it is a major inconvenience for those that are impacted. It is not unhealthy, just unsightly. Veolia is in the process of identifying a cause, although it appears to be from flushing the hydrants.

Important Dates

Upcoming important dates are as follows:

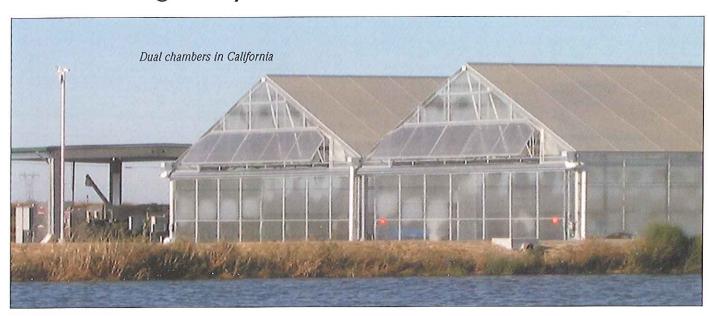
- Community Center Committee Meeting Wednesday, May 29, 2013 at 7:00 p.m.
- CSD Board Budget Workshop Tuesday, June 4, 2013 at 6:00 p.m.
- CSD Regular Board Meeting Wednesday, June 5, 2013 at 7:00 p.m.
- CSD Regular Board Meeting Wednesday, June 19, 2013 at 7:00 p.m.
- CSD Board Workshop Monday June 24, 2013

> PARKSON CORPORATION



THERMO-SYSTEM™

Solar Sludge Dryer





A single-chamber unit in Oregon



Dual chambers next to constructed wetlands in South Carolina

The Parkson solar dryer produces Class A sludge

The THERMO-SYSTEM Solar Dryer is an energy-efficient system designed to accept liquid, thickened or dewatered sludges and dry them up to 90% solids. The solar dryer utilizes a drying bed and greenhouse-like chamber with a microprocessor controlled drying environment.

The sludge is tilled during the drying cycle by a computerized "mole" that moves in a random pattern around the drying bed. As the mole moves, it brings the moist sludge to the surface and, ultimately, produces a dry pelletized end product. Dryness of 50-90% can be achieved with low energy and operating costs. The dried sludge is uniform in consistency and significantly reduced in volume.

All chamber equipment such as the mole, ceiling fans, exhaust fans and air flaps are

microprocessor controlled. The microprocessor receives climatic data from sensors located inside and outside of the chamber in 2 second intervals. Based on calculations from these data, the microprocessor activates or de-activates various equipment to achieve the best possible drying climate conditions inside the chamber. If the drying conditions are poor, the whole chamber closes and the mole runs just often enough to keep the sludge aerobic and prevent odors.

The dryer operates in three different modes depending on the dry solids concentration of the sludge at various stages of the drying process. The actual dry solids content is calculated by the microprocessor based on the initial mass of the sludge, dry solids content and air exchange rate.

THERMO SYSTEM' FEATURES AND BENEFITS

Low Energy and **Operating Costs**

The main source of drying energy is solar power so energy costs are significantly reduced. The entire operation is microprocessor controlled and requires minimal operator attention.

Custom Built Systems

THERMO-SYSTEMTM Solar Dryers are custom designed and can be erected on a wide variety of flat or inclined surfaces including concrete, asphalt, or clay. The flexibility of chamber design is well suited to the retrofit of existing drying beds.

Reduced Sludge Volume

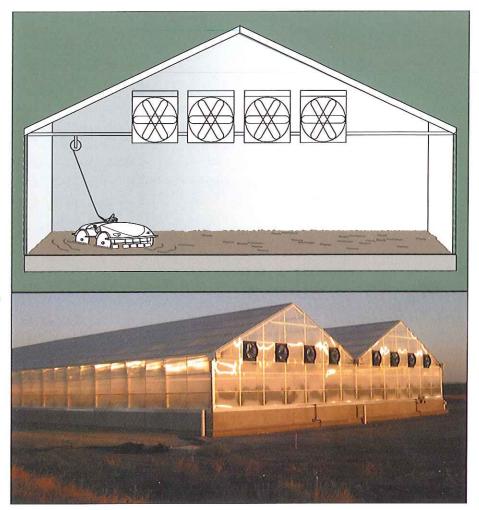
The system reduces sludge volumes up to 90% which dramatically lowers hauling and disposal costs. The final product is biologically stable which further simplifies the disposal options.

Consistent Results

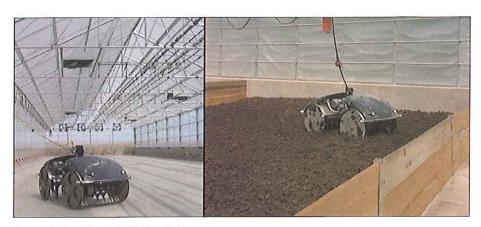
The system is completely enclosed and microprocessor controlled. Changing weather conditions have minimal effect on the results.

Suitable for all Types of Sludges

The solar dryer can treat a wide range of municipal and industrial sludges including raw liquid sludge, aerobic or anaerobic sludge and thickened or dewatered sludge.



Roof and ventilation design for Thermo System structures



Computerized "mole" tills the sludge



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